

REAL ESTATE COMMISSION MEETING

Heber M. Wells Building

Room 2B

9:00 a.m.

January 16, 2008

TELECONFERENCE MEETING

MINUTES

STAFF MEMBERS PRESENT:

Mark B. Steinagel, Division Director

Dee Johnson, Enforcement Director

Mark Fagergren, Education/Licensing Director

Laurie Noda, Assistant Attorney General

Dave Mecham, Chief Investigator

Renda Christensen, Board Secretary

Tiffeni Wall, Real Estate Education Coordinator

COMMISSION MEMBERS PRESENT:

H. Blaine Walker, Chair

Doyle "Sam" Sampson, Jr., Vice Chair

Bonnie Peretti, Commissioner

Gary Hancock, Commissioner

Kay Ashton, Commissioner

GUESTS

Jack Marinello

Michael Welker

Michael Blackburn

The January 16, 2008 meeting of the Utah Real Estate Commission began at 9:00 a.m. with Chair Walker conducting.

Approval of Minutes

The minutes for December 19, 2007 were approved as written.

Chair Walker welcomed Director Steinagel and said the Commission looks forward to working with him.

DIVISION REPORTS

DIRECTOR'S REPORT – Mark B. Steinagel

Director Steinagel introduced himself to the Commission. He said his professional experience has been in the Office of Legislative Research and General Counsel. He staffed the Business and Labor Committee that oversaw the Department of Commerce, including the Division of Real Estate. Director Steinagel worked with Chair Walker on the T.I.C. bill a few years ago. He is excited about working with the Commission and

in carrying out the Division's mission effectively.

Director Steinagel reported the three rules discussed in last month's meeting are all with the Executive Director for consideration. These are R162-12, dealing with the Utah Housing Authority Restricted Account; R162-8.4.1.15 which is the pre-licensing education notice that says a person can't qualify for a license if they have committed a felony within five years and certain types of misdemeanors within three years; and, R162-2.2.9 which is the rule which states if someone is renewing their license if they have had a finding of fraud, misrepresentation or deceit.

Because of the change in Directors, the Division has not had time enough to prepare a draft of the education disclosure rule. The Division will have a draft for the Commission to review at the next meeting.

INVESTIGATIONS REPORT – Dee Johnson

Mr. Johnson reported in the month of December the Division received 42 complaints, 47 complaints were screened, 28 cases were opened, 13 cases were closed, leaving a total of 129 open cases. The goal of the Division is to have no more than 30 cases per investigator, which would be approximately 90 cases.

There are three Stipulations for the Commission to review. All of the people involved were notified they could appear at the meeting today, but all three chose not to appear. Review of Stipulations:

Nathan G. Vidrine

Darin J. Kidd

John D. Airmet

EDUCATION/LICENSING REPORT – Mark Fagergren

Mr. Fagergren said that Director Steinagel is getting up to speed on the rules, and both Mr. Fagergren and Mr. Johnson are impressed.

The statistics show three numbers Mr. Fagergren would like to discuss. The first number is the total number of licensees at 30,356. This is the largest number the Division has had for real estate licensees. The next number is for sales agents at the end of December, the number is 15, 479, which has dropped. December's number is about the same as the Division had in March/April. The last number is for inactive individuals at 5,304. This number is the largest it has ever been.

Mr. Fagergren mentioned the topic of advertising a course before it is approved by the Division. With the changing of new Directors, we will have a draft of the rule for the Commission to review.

Last month the topic of broker curriculum was discussed before schools prepare on-line courses for those curriculums. The Commission voted to formulate a committee to look at the broker curriculums and to consider if sales agents should be able to attend all or parts of that broker education when they are taking their sales agent license. The

Commission was to give Mr. Fagergren a list of who will be on the task force. After last month's meeting, Mr. Fagergren had eight people approach him after the meeting who desire to be on the task force. Chair Walker said the Commission voted to appoint six members outside the Division to the task force. He has some recommendations to enter in the Minutes. Mr. Fagergren said the following individuals requested to be on the task force: Kevin Swensen, Linda Leavitt, Michael Welker, Arnold and Marti Stringham, Lance Miller, and Tammy Lund. Mr. Fagergren said this list was only from those who attended the last meeting, and he is sure that once the task force becomes public, more people would like to have the chance to be on the committee. Commissioner Peretti asked Mr. Fagergren if he had any other names, perhaps in rural areas, he would suggest to the Commission. He said it might be a challenge to ask someone from St. George to attend the meetings, but he believes Bea Carmen might have a strong interest in broker education. Ms. Wall suggested that Lee Holt might have interest in serving. Chair Walker said he would recommend the following individuals for consideration: Jack Marinello, Arnold Stringham or Marti Stringham, and Tammy Lund and from other names from the list suggested. It was also discussed that since Jack Marinello only teaches license renewal classes, that perhaps it would be better to use someone else. The Commission will take the names under consideration during their Executive Session today.

Mr. Fagergren said the Division's website (www.realestate.utah.gov) includes a new section titled "New Administrative Rules." It includes rules that have been passed since May 2007. Also, all Minutes have been posted from previous meetings through the end of the year.

Ms. Wall is working on planning the Division's 2008 Caravan that will be adding a few new locations to the schedule. It is currently scheduled for late April/early May.

Director Steinagel mentioned that Executive Director Giani is speaking today to the Appropriations Sub Committee at the Legislature. One of the topics the Legislature asked the Division of Real Estate to address is to justify the Division's two new full-time employees approved last year. Director Steinagel went through past statistics from before he became the Division Director. He gave a commendation to the Division for clearing up the backlog to almost zero. This has allowed our licensing technicians to process applications more quickly and also to take phone calls instead of having calls go to voice mail. Chair Walker also commended the Division and staff for doing a great job.

Commissioner Ashton commented he would not be able to attend the next regularly scheduled Commission meeting on February 20, 2008. Chair Walker said he will be out of state for this same meeting. A motion was made and approved to change the date of the next meeting to February 13, 2008. Ms. Christensen will contact those who have been already scheduled for hearings as to the new date.

CLOSED TO PUBLIC

A motion was made to go into an Executive Session from 9:47 a.m. to 10:15 a.m.

OPEN TO PUBLIC

A motion was made and accepted to have Director Steinagel sign the Closed Meeting Act document and also the Stipulations on behalf of the Commission for the telephonic meeting today.

Results of Executive Session

Stipulations:

Nathan G. Vidrine – Approved

Darin J. Kidd – Approved. The Commission would like a comment put in the newsletter that the fines in this Stipulation were under the “old” fine schedule.

John D. Airmet – Approved

CLOSED TO PUBLIC

A motion was made to go into an Executive Session from 10:20 a.m. to 10:30 a.m.

A motion was made and accepted to adjourn the meeting at 10:30 a.m.